# INFORMATION LETTER

## NATIONAL CANNERS ASSOCIATION

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### Second N.C.A. Briefs Issued

A second issue of *N.C.A. Briefs* was mailed this week to members and others on the Consumer and Trade Relations list. This is the pocket-size booklet of miscellaneous trade and marketing news notes that will be brought out at intervals under the C. & T.R. program.

The data is gathered by Dudley-Anderson-Yutzy staff members from various market research firms and other sources, and prepared in capsule form by Jack Simmons of their staff. The C. & T.R. Committee has directed that issues come out about every six weeks.

Among items reported in the current issue are the entry of the F. W. Woolworth chain into canned foods distribution; latest figures on canned foods sales in chain stores; population gains; the changes in the position of food in the consumer's purchasing dollar; trends in selling and advertising; the value of recipes as a selling tool; and ways to attract the market of 41.7 million children (3 to 14 years of age). At Committee direction, the issue also carried a brief progress report on C. & T.R. activities.

### Hearings on Small Business Problems in Food Distribution

The Roosevelt subcommittee of the House Small Business Committee held public hearings in San Francisco this week end in its continuing investigation of small business problems in food distribution.

The subcommittee had subpoenaed records of eight major chain store buyers, a large wholesale grocery chain, and a large voluntary, for appearance at hearings scheduled October 8-10.

Following is the statement with which Representative Roosevelt (Calif.) opened the hearings on October 8:

Today, Subcommittee No. 5 of the House Small Business Committee is opening its second series of hearings on the distribution problems of small business in the food industry.

For eight days this spring, the Subcommittee sat in Washington and heard representatives from all segments of the food industry discuss the problems which are facing them. They told the Committee of their fear of a growing concentration of economic power in the hands of a few. Facts were presented indicating that 15 of the top chains do almost 30 percent of the grocery business. Two percent of all the companies engaged in food marketing in 1954 employed 43 percent of the people, and accounted for 52 percent of the industry's payroll.

Small businessmen outlined what is happening to them in this drastic revolution in food marketing, and suggested different proposals to solve their problems.

Today we are in San Francisco to investigate specific charges which have come to us from small canners and packers and others, that the buying practices of certain large chains which have offices here, are exerting severe and undue economic pressure. We are here, and I stress this, to gather the facts in the situation.

We understand that through the buying offices of ten major chains located in the California Street area, about half of the domestic market of canned fruits and vegetables is purchased. Approximately 80 percent of the private label canned fruits and vegetables produced in the state are sold every year in California Street.

We are told that there are many small canners of fruits and vegetables, but that on the opposite side of the market they are faced with concentrated economic buying power in the hands of a few who operate as a team. The antitrust laws prevent the canners, packers, and other sellers from getting together and operating as a team. Each must work alone with the buyers or face possible charges under antitrust laws.

It does not appear that the economic power residing in any one of the small canners and other sellers is such that acting alone it could materially influence marketing conditions or the prices and other terms of sale. Thus individually, each seller attempts, as one of many competing sellers, to anticipate the needs of the market a year in advance and on that basis plan processing programs in line with marketing requirements. Competitively, he anticipates, determines, and quotes prices on merchandise being offered for sale. However, the buyer, it is said, ascertains from

### 'Better Meals' Publicity Issued by N.C.A. Consumer Service

The N.C.A. Consumer Service Division cooperated with newspapers for the September campaign "Better Meals Build Better Families," the nationwide promotion which had the support of the American Newspaper Publishers Association Inc.

The campaign was held September 14-26 with newspapers representing nearly 85 percent of the daily newspaper reading public.

The Consumer Service Division sent canned food releases to five lists of metropolitan newspapers, using mailing lists which are developed and maintained as a part of the Division's continuing release service. The September releases featured the "Better Meals" theme and were sent to more than 400 newspapers with a total circulation of about 54,400,000.

Some of the titles of the September releases were "Canned Foods Contribute to Good Eating," "Canned Foods Offer Quick Meals in a Hurry," "Wonderful Meals with Canned Foods," "Vegetables with Variations," and "Elegant Fruit Dessert Ideal for Entertaining."

For daily newspapers which use mats, the Division prepared a special recipe-photograph release entitled "Memory Book Salads." This was sent to 1,344 papers in cities of 100,000 and under circulation.

A color mat proof page entitled "In Season Flavor . . . all year around" was released to newspaper food editors through the Milwaukee *Journal* color service.

The September newspaper releases issued by the Consumer Service Division covered all classifications of canned foods and had a total of 61 uses for canned foods.

The Division also prepared special materials at the request of food editors of five metropolitan newspapers.

the sellers the list prices and then informs the sellers how much *under* the list price will be paid by the buyers. It is claimed that under such circumstances if the canner refuses to deal with the buyer on the terms thus dictated by the buyer, the packer will receive no other offers for his pack.

Frequently small canners and sellers have serious problems of storage unless some commitments are made before the packing season commences, providing for the movement of the pack to buyers as the packing season progresses. Faced with the need for making these arrangements, the small canner often provides the buyer with an option to take the whole pack. However, the movement of the pack under such option arrangement is subject to periodical "shipping instructions". It is said that these "shipping instructions" are sometimes withheld from an "uncooperative" canner. It is our understanding that the word "uncooperative" is thus used to describe a canner who would dare to even speak out about the buying practices and alleged dictation of prices and terms by the small group of buyers for the large chains operating in the "Street"—California Street, San Francisco, California. It is said that to speak out against these conditions would mean that the small canners would be "punished for such rashness by having more than half of the domestic market closed to them".

It is this situation which the Subcommittee is undertaking to investigate through the opening of hearings today. We have heard of this kind of condition in the field of food distribution other than fruit and vegetable canning. We believe by making a thorough study of the situation here, we may better understand and perhaps learn how to evaluate similar situations in other segments of the food industry and in other geographical areas.

Certainly it is our duty to determine whether the situation involved here is one damaging to canners or contributing in any substantial way to the disappearance of more than 16,000 retail food stores each year. Be assured that we consider it a good place to stop and closely scrutinize all of the factors relevant to the operations of this so-called "California Street" buying of canned vegetables and fruits.

One thing should be made clear. The Subcommittee's investigation and hearings on small business problems in food distribution here in San Francisco, as elsewhere, are to develop the facts. We are making no charge against any party connected with the food industry. We shall continue our investigation and hearings until we have information adequate to make conclusions about the matter committed to the Subcommittee for inquiry. When we have done that we shall report to the full Committee in Washington which, in turn, will report to the House with recommendations as provided for in the resolution which created the House Small Business Committee.

## 1959 Packs of Canned Fruits in California

Reports on the 1959 packs of canned peaches, fruit cocktail and other fruit mixtures in California have been issued by the Canners League of California and the Cling Peach Advisory Board.

As in the past, the pack totals for peaches in California will be included in the report to be issued later in the season by the N.C.A. Division of Statistics on the total U.S. pack of canned peaches.

Following are the 1959 packs of certain canned fruit products in California, with comparisons:

CALIFORNIA CANNED FRUITS*

| | 1958 | 1959 |
|---|---|---|
| | (*actual cases*) | |
| Freestone peaches | 5,190,133 | 5,963,954 |
| Cling peaches | 20,128,490 | 24,746,560 |
| Fruit cocktail | 15,077,868 | 16,809,953 |
| Fruits for salad | 848,055 | 1,201,258 |
| Mixed fruits | 285,833 | 443,510 |
| Spiced peaches | 365,743 | 682,681 |

Following are the 1959 packs of cling peaches and fruit cocktail by container size, with comparisons:

CLING PEACHES*

| Container Size | 1958 (cases) | 1959 (cases) |
|---|---|---|
| 24/2½ | 11,518,079 | 13,611,857 |
| 48/8Z | 1,184,590 | 1,340,779 |
| 24/303 | 4,190,843 | 5,424,395 |
| 6/10 | 3,219,255 | 4,349,620 |
| Misc. | 45,723 | 19,909 |
| Total, actual cases | 20,128,490 | 24,746,560 |
| Total, basis 24/2½ | 17,525,872 | 21,452,437 |

FRUIT COCKTAIL*

| Container Size | 1958 (cases) | 1959 (cases) |
|---|---|---|
| 24/2½ | 3,843,069 | 4,046,650 |
| 48/8Z | 1,655,429 | 1,783,211 |
| 24/303 | 7,892,975 | 8,758,561 |
| 24/2 | 262,562 | 265,795 |
| 6/10 | 1,423,233 | 1,955,736 |
| Total, actual cases | 15,077,868 | 16,809,953 |
| Total, basis 24/2½ | 10,720,604 | 11,982,366 |

*The pack of canned freestone peaches in California was compiled by the Canners League of California, and the packs of other canned fruit products were compiled by the Cling Peach Advisory Board, whose figures are subject to change on completion of audited pack figures in December.

## Carryover Stocks and Season Shipments of Florida Citrus

A report on Florida canners' carryover stocks and season shipments of canned hot-pack citrus products has been issued by the Florida Canners Association.

| | Supply | | Canners' Stocks, | | Season Shipments | |
|---|---|---|---|---|---|---|
| | Sept. 28, 1957 | Sept. 27, 1958 | Sept. 27, 1958 | Sept. 26, 1959 | Sept. 27, 1958 | Sept. 26, 1959 |
| | (*thousands of cases basis 24/2*) | | | | | |
| Grapefruit juice | 11,432 | 11,095 | 1,000 | 1,460 | 10,432 | 9,636 |
| Orange juice | 19,437 | 14,379 | 1,115 | 1,141 | 18,322 | 13,238 |
| Combination juice | 5,409 | 4,420 | 208 | 423 | 5,201 | 3,997 |
| Grapefruit sections | 4,836 | 5,197 | 625 | 1,029 | 4,211 | 4,169 |
| Tangerine juice and blends | 470 | 779 | 13 | 237 | 457 | 542 |
| Citrus salad | 720 | 739 | 148 | 266 | 572 | 473 |

## Poultry Used in Processing

Poultry used in canning and other processed foods during the first eight months of 1959 totaled 174,682,000 pounds, 4 percent more than the 167,905,000 pounds used during the same period of 1958, according to a report by the Agricultural Marketing Service of USDA.

| | Jan.-August | |
|---|---|---|
| | 1958 | 1959 |
| | (*thousands of pounds*) | |
| Young chickens | 23,843 | 30,559 |
| Mature chickens | 106,989 | 99,754 |
| Turkeys | 36,981 | 44,369 |
| Other poultry | 92 | 59 |
| Total, Jan.-July | 167,905 | 174,682 |

## Livestock and Meat Situation

The current uptrend in meat animal production will result in larger marketings and lower prices this fall than last, according to a report by the Agricultural Marketing Service of USDA in *The Livestock and Meat Situation.*

Total meat production in 1959 promises to be second only to the 1956 output and a further increase will occur next year, according to USDA.

The 1959 spring pig crop was up 12 percent, and producers in 10 Corn Belt states reported in September that they are increasing fall farrowings 5 percent. USDA expects that the expansion in hog production may end in 1960.

Some further expansion in cattle numbers is likely for several years, USDA said. The number of cattle and calves on feed July 1 was record large for that date, 10 percent above last July.

Sheep and lamb slaughter so far this year has totaled about 8 percent larger than last year.

USDA expects a gain in supplies in sausage meats this fall.

## New Early Blueberry

A new blueberry variety, named Collins, has just been released by the USDA and the New Jersey Agricultural Experiment Station for propagation by fruit growers and nurserymen.

Collins is recommended as a second early, large-fruited variety for the northeastern United States. The new variety ripens midway between Earliblue and Bluecrop, two other USDA-developed varieties, filling the gap in the ripening season of large-fruited berries.

The plants are erect, vigorous, and moderately productive. The bushes appear to be winter hardy under normal conditions.

The fruit is borne in medium-sized, rather tight, attractive clusters. The berries are as large as Earliblue, firm, light blue in color, and highly flavored, with a sweet to mildly subacid taste. The fruit does not drop, and shows no tendency to crack.

Plants are not available from USDA or the New Jersey station according to the Department's Agricultural Research Service. Information on sources of plants and methods of distribution can be obtained from James Moore, New Jersey Agricultural Experiment Station, New Brunswick, N. J.

## CMI Meeting Outlines Plans for Sesquicentennial in 1960

The Can Manufacturers Institute held a meeting of its members and allied industry representatives October 7 in New York to announce plans for the sesquicentennial of the birth of canning and the metal container, which is to be celebrated in 1960.

Del Johnson of Continental Can Company, chairman of the C.M.I. publicity committee, stated the objectives of the campaign. H. Ferris White, executive vice president, reported on the wide interest in sesquicentennial observance abroad. Plans are being made in 83 trade organizations in 30 nations, he reported.

George Anderson of Dudley-Anderson-Yutzy presented and explained a press kit, which contains historical feature articles, fact sheets, economic highlights, radio and TV scripts and spot announcements, texts for governors' proclamations, postal meter slugs, slogans, graphic symbols, and other publicity items. A different kit will be used in different can-using industries—brewing, petroleum, chemicals, food, etc.

Representatives of American, Continental, Alcoa, steel and other container firms reported on individual plans for observance of the sesquicentennial in their advertising and publicity campaigns in 1960. Nelson H. Budd, Director of the N.C.A. Information Division, reported on plans for observance of the sequicentennial at the Miami Convention, and a round table discussion was held for interchange of various promotional ideas.

## Grades for Canned Grapefruit

Notice is given in the *Federal Register* of October 7 that the Agricultural Marketing Service of USDA proposes to revise the U. S. standards for grades of canned grapefruit.

The proposed revision would adjust the recommended minimum drained weights downward in order to conform to good manufacturing practice. The minimum for Grade A would be changed from 58 to 56.25 percent and the minimum for Grade B from 55 to 53.12 percent.

The proposal also would permit nonnutritive sweeteners and other ingredients permitted by the FDA.

Interested persons have until October 23 to submit views and comments to the Fruit and Vegetable Division, Agricultural Marketing Service, USDA, Washington 25, D. C.

## Canned Foods Publicized

Katherine R. Smith, Director of the N.C.A. Consumer Service Division, attended the Newspaper Food Editors Conference in Chicago during the week of September 28 and held numerous meetings with food editors and writers and others in the food field.

She also appeared with N.C.A. President Norman Sorensen on a homemakers' television show, "What's New in the Kitchen," on WTMJ-TV in Milwaukee on September 28. All classifications of canned foods were included among the foods prepared on the show, which is a half-hour program conducted by Breta Greim.

Mr. Sorensen and Miss Smith were guests the same day on the Esther Hotten radio program "What's New" over WTMJ, Milwaukee. The interview included general information about canned foods and their use.

Miss Gloria Hansen, N.C.A. Test Kitchens Home Economist, gave a demonstration featuring canned foods before two groups in suburban Washington. The demonstration is entitled "Eat Well—Keep Well in a Disaster" and was given in Rockville, Md, September 29 and in Silver Spring, Md., October 1 as part of a Pioneer Cooking Workshop sponsored jointly by the Home Demonstration and Civil Defense Offices of Montgomery County, Maryland.

Family survival food supplies and cooking equipment were displayed at both workshops. Miss Hansen demonstrated how the civil defense supply of canned foods would ensure balanced adequate diets for families during any disaster, natural or atomic.

## Poultry Inspection Regulations

Notice is given in the *Federal Register* of October 7 that the Agricultural Marketing Service of USDA proposes to amend its regulations governing the inspection of poultry and poultry products.

Purpose of the proposed amendment is to aid in regulating the amount of moisture absorbed by poultry carcasses during processing and chilling. The proposal would define processing techniques necessary in ice and water chilling to assure drainage of free water.

Interested persons have until November 7 to file comments with the Poultry Division, Agricultural Marketing Service, USDA, Washington 25, D. C.

## USDA Finds Older Homemaker Serves Less Nutritious Diets

Diets in U.S. homes where the homemaker is 60 years of age or older are less nutritious than in homes where the homemaker is under 60, according to a preliminary report by the USDA.

The report shows that more households where the homemaker is 60 or over are low in amounts of one or more of eight essential nutrients recommended by the National Research Council as compared with households in which homemakers represent three lower age brackets.

The preliminary report is contained in The Family Economics Review issued by USDA's Agricultural Research Service.

Information is provided in the report on the following groups besides households in which the homemaker is 60 or over: those where the homemaker is under 30, where she is 30 to 49, and where she is 50 to 60 years old. Evaluations of diets are based on quantities of the following nutrients rated as important by the National Research Council: protein, iron, niacin, thiamine, riboflavin, calcium, vitamin C and vitamin A.

Compared with diets in households where the homemaker is under 30, diets in the 60-or-over group are noticeably lower in protein, iron, niacin, and thiamine—nutrients supplied chiefly by meat, poultry and fish, and grain foods.

The study showed that as people get older they increase their consumption of meat, poultry and fish gradually until they reach 60. Then the consumption of these foods levels off and declines. At the same time, their intake of grains holds at a fairly constant level. After 60, grains do not make up for the loss of these important nutrients from the meat-fish group.

Persons in the 60-or-over group also get much less riboflavin than younger people, mainly because older people use less milk. They also get less calcium but the calcium loss is not considered so serious as the riboflavin loss because older, childless households need less calcium than younger households with children. Riboflavin needs of adults, however, are greater than those of children.

Shortages of vitamin C and vitamin A in 60-or-over households are caused by low consumption of fruits and vegetables, which follows the consumption pattern of meat, rising with increasing age of the homemaker, to a peak in the 50's and leveling off and declining after 60.

The study also showed that younger homemakers are more likely to use such prepared foods as flour mixes, potato chips, canned vegetables, and baby foods. The 60-or-over group is also less inclined to use frozen vegetables and fruit juices, which are most widely used by the 50-59 group. On the other hand, older homemakers make greater use of dried fruits and vegetables.

Further details of the study will be given in a forthcoming publication entitled *Food Consumption and Dietary Levels as Related to the Age of the Homemakers*, the release date of which will be announced later. This report will be the 14th in USDA's series based on its national food consumption survey made in 1955.

## Apple Products for USDA

USDA announced on October 9 the purchase of 285,000 cases of canned applesauce and 246,400 cases of canned sliced apples for distribution in the National School Lunch Program. Purchases, in No. 10 cans, were made with funds transferred by Congress under Section 32.

Applesauce was purchased in New York, Pennsylvania, West Virginia, Michigan, Idaho, Washington, and California. Sliced apples were purchased in New York, Pennsylvania, Washington, and California.

Delivery will be required during the period October 26-November 30.

## USDA Research Service

Dr. M. R. Clarkson has been named Associate Administrator of the USDA's Agricultural Research Service. In this position, which is new in ARS, Dr. Clarkson will share with Dr. Byron T. Shaw, Administrator, the broad authority and responsibility for coordination of all USDA research as well as administration of research and ARS regulatory activities.

Dr. William L. Popham, who has been serving as Assistant Administrator for regulatory programs, has been named to Dr. Clarkson's former position as Deputy Administrator.

ARS regulatory activities for which Dr. Popham will now have primary responsibility include (1) animal disease control and eradication, (2) meat inspection, (3) control and eradication of insect pests and plant diseases, (4) enforcement of plant and animal quarantines and regulatory orders, and (5) enforcement of other related statutes.

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